**श्री सुरेन्द्र सिंह ठाकुर :** माननीय सभापति जी मैं माननीय मंत्री महोदय से यह जानना चाहूंगा कि सरकारी क्षेत्रों में ट्रक टायरों की इण्डस्ट्री बहुत कम है, जिसकी वजह से ट्रक टायरों की कीमतें बहुत बढ़ी हुई है, तो क्या इस क्षेत्र में नई इण्डस्ट्री खोलने के लिये सरकार कोई ध्यान दे रही है ताकि इस तरह से ट्रक टायरों की कीमत कम करने की कोशिश की जाय ?

SHRI J. VENGAL RAO: Sir, I have already answered this question. At present the industry is in the hands of big business houses. To remove their control we are encouraging the State Govrenments. The Andhra Pradesh Government is going to set up a factory. So also Orissa. Recently we gave a licence to the Punjab Government. (Interruptions)

MR. CHAIRMAN: Mr. Minister, do not look at the Members. Look at the Chair.

**Foreign collaborations by ONGC and OIL**

*64. SHRI BIR BHADRA PRATAP SINGH†
SHRI BHAGATRAM MANHAR:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what are the names of the countries with which the ONGC and Oil India Limited has been collaborating in obtaining technical know-how for drilling operations for purposes of locating oil and natural gas during the last 3 years;

(b) what are the terms and conditions of these collaborations;

(c) what is the amount of foreign exchange expenditure incurred by ONGC and OIL during the last 3 years on this account; and

(d) what are the results of the collaborations?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHM DUTT): (a) to (d) Statement is laid down the Table of the Sabha.

**Statement**

(a) to (d) Oil India Limited (OIL) did not have collaboration with any foreign country in obtaining technical know-how for drilling operations during the last three years.

During the last three years, ONGC had entered into contracts with the following foreign agencies in USA, France and USSR:

*USA*: The services of M/s. Gilley & Associates have been hired for providing consultancy services in the area of drilling. The contract is valid upto November, 1988. An amount of US $3,22,720 has been paid to them upto March 1987, for the services rendered by them.

*France*: A contract was awarded to M/s. Horwell for providing consultancy services for drilling two horizontal wells in Bombay High, which have been completed in March. 1987. An amount of US $ 12,53,808 has been paid to them.

*USSR*: Under the Indo-Soviet Joint Protocol, experts from M/s. Techno Export and other agencies of USSR are providing assistance in drilling under the intensive integrated exploration turn key project in identified areas in Cambay and Cauvery basins. The financing of this turn key project is under the 1000 million Rouble Credit extended by the USSR in terms of the agreement on Economic and Technical Cooperation between the two countries. Soviet experts are also engaged in the Institute of Drilling Technology for development of different drilling variables, prevention and control of mud-loss, gas, oil and water shows and blow

†The question was actually asked on the floor of the House by Shri Bir Bhadra Pratap Singh.

outs, drilling fluids, cementation of high pressure and high temprature wells. This contract is valid upto May, 1988. The payments are made in rupees as per the agreement.

The hiring of consultancy services has helped ONGC in solving the specific drilling problems. Association with foreign consultancy agencies has provided an opportunity for the scientists and engineers of ONGC to deal with specific drilling operations and also helped in upgrading the indigenous skills and knowledge.

The successful drilling of the horizontal well is a major technological break through which could be applied to exploit the thin oil column of South Bassein Gas fields, Panna and such similar fields.

SHRI BIR BHADRA PRATAP SINGH: Mr. Chairman, Sir, there are certain direct contracts which have been directly arrived at between the countries. May I point out to the hon. Minster about an indirect contract specifically about some of the drilling operations which have been given to the Mazagon Dock under the Ministry of Defence? The contract given to the Mazagon Dock was further given to a foreign governmnent as the Mazagon Dock could not execute that contract. If so, what are the details? Was the CMD of Mazagon Dock suspended on this account? And, if so, please give us the full details.

SHRI BRAHM DUTT: Sir, the question is about drilling operations for the purpose of locating oil and natudal gas during the last three years. In my answer I have given three contracts: one to the USA, another to a French company and then there is the general contract with the USSR. About this Mazagon Dock, I would like to have some information. I will reply to the hon. Member.

SHRI BIR BHADRA PRATAP SINGH: In the second part of the reply he has talked about foreign collaborations and their impact on the idigenous techology. So, may I know abut a specific problem? As a result of the drilling operations we are unable to utilise the gas but burn it. What are the reasons for not getting the know-how and using the gas emitted from the Bombay High and other places? How far are we not able to indigenise the technology in drilling operations?

SHRI BRAHM DUTT: Sir, this question does not relate to oil. But I would like to answer it. Sir, the flare has nothing to do with the technology. The flare has got something to do with our capacity to utilise the gas. I have answered the first question that was asked of me. Now we are laying the pipeline, the HBJ pipeline where more gas will be used for power production, for fertilizer production and for petrochemicals also. And in the remote areas where we have struck gas, we are trying to put small power plants or small unit. We are trying to use it. But to use the available gas whether in a remote area or in a large quantity, a big infrastructure has got to be created. We are trying to do that.

SHRI BHAGATRAM MANHAR: The drilling operation for the purpose of locating oil and natural gas are localised in some pockets of the country. I would like to know whether the Government has sought to utilise the consultancy services for locating oil and natural gas in other parts of the country, especially in hilly areas. If so, what is the outcome of these operations?

SHRI BRAHM DUTT: There are four stages of this operation. First is that presence of hydro-carbon is established; second is that it is established that it is commercially viable to exploit it. Then the drilling operation takes place. And after testing it a large-scale operation of exploitation comes. We are devoting attetion to the whole country and are not limiting ourselves to any part of the country.

But as we make progress, we take the next step.

About the sub-Himalayan region it is said that in the foothills of the Himalayas there is a big reservoir of oil. We are exploring the possibility at two or three places. Further exploitation will depend on the results of that.

SHRI NAGEN SAIKIA: My question is related to the foreign collaboration. I would like to know from the hon. Minister whether it is a fact that a drilling ship for drilling at the sea-shore was hired from a foreign country a few years back at a very high rate, but it is still being kept unutilised. If so, what amount has been paid for this?

SHRI BRAHM DUTT: If the hon. Member gives me information about the particular ship, I will give him full detail.

SHRI CHITTA BASU: In the course of the reply, the Minister has made a statement saying that the services of M/s. Gilley & Associates have been hired for providing consultancy services in the area of drilling. The contract is valued etc. etc. May I know what have been the actual terms and conditions for this contract being given to the particular company Secondly, the Government claims that they are self-sufficient in oil technology. Now, they have also appointed a consultancy firm for further consultation. I would like to know what was the necessity of hiring the consultancy of a foreign company and what have been the terms and conditions of the consultancy and the fees to be paid for that consultancy for that particular firm.

SHRI BRAHM DUTT: We have never claimed that we have got all the technology that is available. In fact, no country in the world can claim it because techology is being updated everyday. About the terms and contracts, first to M/s. Gilley & Associates, I have already said that $33,22,720 were to be paid and the services of this consultant were under the World Bank loan. They were to dig certain wells. Eleven wells they have completed. A large number of engineers have been attached with them for an on-the-job training so that technology is absorbed by our own engineers. The personnel from the Institute of Drilling Technology, i.e. our institute, are also associated for the same purpose to acquire technology. Our attempt is...

SHRI CHITTA BASU: What is the share of production?

SHRI BRHAM DUTT: They have nothing to do with share of production. This is not for share of production. These two contracts are not for share of production. Another contract with M/s. Horwell of France is for latest technology. Upto this time we were going vertically down the oil well. Now we have come across certain layers where we cannot go vertically down, but drilling has to be done horizontally. This company has that technology and they have dug two wells horizontally and are trying on another two. This will be a major development in the Bombay High.

**Tariff mechanism to replace drug equalisation account**

*65. SHRI RAJNI RANJAN SAHU: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government have proposed a tar mechanism to replace the drug equalisation account, to safeguard the interests of indigenous producers;

(b) if so, by whom the list of drugs to be covered under this scheme is to be finalised and what guidelines, if any, have been laid down for identification of the drugs; and

(c) by when the list of likely to be finalised and on what basis the duty on various drugs is to be determined?